Second Generation Economic Reforms

4622. SHRIMATI AMBIKA SONI: Will the PRIME MINISTER be pleased to state:

(a) whether in a bid to usher in second generation economic reforms in the agricultural sector, the Planning Commission has recommended some bold and radical measures;

(b) if so, whether allowing private sector in the management of the food economy and encouraging private trade in procurement of foodgrains has also been suggested;

(c) if so, what are the other recommendations made by the Planning Commission; and

(d) whether Government have agreed thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRIMATI VASUNDHARA RAJE): (a) to (c) In its mid-term appraisal of Ninth Plan, Planning Commission suggested (i) removal of domestic market control on agricultural produce (ii) rationalization of subsidies on inputs which adversely affect sustainable development and use of land and water resources; (iii) Institutional reforms relating to rural credit. In its Approach Paper to Tenth Plan, Planning Commission have suggested that deficit States should be encouraged to buy directly from surplus states, and they should be compensated for transport storage etc. These states will most probably hire private agencies to do so, which will bring private expertise into this field. It also suggested for considering fiscal concessions to encourage new godown capacity in the private sector.

(d) The Standing Committee of Union Minister and Chief Ministers on Food Management and Agricultural Exports have been constituted on 4th June, 2001 to consider issues concerning Agriculture Strategy, Food Management and Promotion of Agricultural Exports in the wake of WTO agreement on Agriculture.